

Tax Facts

Information for Washington State's Business Community

WASHINGTON
STATE

UBI

UNIFIED
BUSINESS
IDENTIFIER

Spring UBI Business Information Workshops

There's a lot of information available to business owners about state laws and regulations. To get this information, come to one of the free Business Information Workshops in April and May.

The departments of Revenue, Licensing, Labor and Industries, and

Employment Security jointly sponsor these popular workshops.

Representatives will discuss the laws administered by these agencies that relate to your business activities. In addition, representatives from the Business Assistance Center, Internal Revenue Service, and the Department of Social and Health Services' Support Enforcement Division will be present.

Reservations will be taken starting April 1.

To register for the workshop nearest you, call the Department of Revenue at 1-800-647-7706 (TTY users, please call 1-800-451-7985). Reservations will be taken starting April 1. Traditionally, many people make reservations and

do not attend the workshops. Consequently, we do not limit the number signing up and seating will be on a first-come, first-seated basis. When you register for a workshop, the automated

telephone system will provide directions to the workshop location. Interpreters for sight and hearing impaired persons are available upon request. To arrange for this service, or if you have special facility needs, please call (360) 586-5372 at least two weeks prior to the date of the workshop. ▲

Spring 1999 Workshop Schedule and Agenda		
Date	Location	Address
April 16	Kent	Holiday Inn 22218 84 th Ave. S.
April 21	Mount Vernon	Skagit PUD 1415 Freeway Dr.
April 23	Tacoma	Dept. of Social & Health Services 2121 S. State St., Rm. 406
April 26	Bremerton	Elks Lodge 4131 Pine Rd. N.E.
April 30	Vancouver	Water Resources Education Ctr. 4600 S.E. Columbia Way
May 3	Spokane	Spokane Falls Community College Student Union Bldg. 3410 Fort Wright Dr.
May 5	Pasco	Columbia Basin College Workforce Training Center 2600 N. 20th
May 6	Moses Lake	Shilo Conference Rm. 1819 E. Kittleson
May 11	Edmonds	Edmonds Community College Titan Union Bldg. 20000 68 th Ave. W.
May 17	Tumwater	Labor & Industries Bldg. Auditorium 7273 Linderson Way S.W.

Agenda

7:30 - 8:00	Check In
8:00 - 8:05	Introduction
8:05 - 8:55	Department of Licensing
9:00 - 9:30	Department of Social and Health Services/Div. of Child Support
9:30 - 9:40	BREAK
9:40 - 11:00	Department of Labor and Industries
11:00 - 11:10	BREAK
11:10 - 12:30	Employment Security Department
12:30 - 1:30	LUNCH
1:30 - 2:15	Internal Revenue Service
2:20 - 3:45	Department of Revenue
3:50 - 4:00	Closing Comments

Helpful Information

Each year, we receive numerous calls requesting income tax assistance and forms. As a state agency, the Department of Revenue is not qualified to answer federal tax questions and does not maintain federal (IRS) forms. For assistance with federal tax forms, please contact the Internal Revenue Service at one of the following numbers:

Federal Tax Information	1-800-829-1040
IRS federal tax forms only	1-800-829-3676
Tele-tax Recorded Tax Information and Automated Refund Information	1-800-829-4477
TTY Only (Hearing & Speech Impaired)	1-800-829-4059
IRS Internet home page:	http://www.irs.ustreas.gov/



Rule changes

The Department of Revenue is responsible for administering most of the tax laws enacted by the Washington State Legislature. As a part of this responsibility, the Department publishes rules to assist taxpayers in accurately reporting their tax liability. To reflect changes in tax law and industry practices, these rules, Washington Administrative Code (WAC), often require revising via the rule-making procedure.

Administrative rules that have been adopted or canceled since the December 1998 issue of this publication are listed below. Newly adopted rules are available on the Department's Internet site. You may also use the Department's automated telephone system to ask that a copy be faxed or mailed to you. For information about the automated system, including *Fast Fax*, see page four.

Permanent Adoption

- WAC 458-18-220** Refunds-Rate of interest (on property tax refunds).
(*Fast Fax* code 4220) *Effective January 1, 1999.*
- WAC 458-20-167** Educational institutions, school districts, student organizations, and private schools. (Rule pertains to excise tax)
(*Fast Fax* code 2167) *Effective February 7, 1999.*
- WAC 458-20-231** Tax on internal distribution. (Rule pertains to excise tax)
(*Fast Fax* code 2231) *Effective February 4, 1999.*
- WAC 458-20-262** Retail sales and use tax exemptions for agricultural employee housing. (Rule pertains to excise tax)
(*Fast Fax* code 2262) *Effective December 31, 1998.*
- WAC 458-30-262** Agricultural land valuation-Interest rate-Property tax component (data needed to value classified farm and agricultural land for property tax purposes).
(*Fast Fax* code 4262) *Effective January 1, 1999.*
- WAC 458-30-590** Rates of inflation (due on payment of special benefit assessments on classified farm, agricultural and timber land).
(*Fast Fax* code 4590) *Effective January 1, 1999.*
- WAC 458-40-540** Forest land values-1998. (Rule pertains to taxation of forest land and timber)
(*Fast Fax* code 3540) *Effective January 29, 1999.*

WAC 458-40-660

Timber excise tax-Stumpage value tables-Stumpage value adjustments. (Rule pertains to taxation of forest land and timber)

Effective January 29, 1999.

WAC 458-57-575
(*Fast Fax* code 5575)

Waiver or cancellation of penalties. (Rule pertains to taxation of estates)

Effective February 8, 1999.

Information about the Department's rule-making activities is available on the Internet at: <http://dor.wa.gov>. To access information about draft rules and future rule-making priorities, use the RULES/LAWS hot button. ▲

1999 Tax law changes

1999 promises to be a busy year for tax issues. At press time, dozens of tax bills had been introduced in the Legislature. Consequently, we anticipate several changes to our tax laws this legislative session. The June 1999 issue of *Tax Facts* will identify the resulting changes and their effective dates.

Look for *Tax Facts* in your mail box by the end of June. In addition, *Tax Facts* will appear on the Internet at: <http://dor.wa.gov>. To access this and other publications, use the PUBLICATIONS hot button. ▲

Electronic account changes

Various changes occur during the life of a business. You'll need to notify the Department of Revenue as many of these changes occur. With Internet, notification has become as easy as point, type, and click!

Using the new electronic Account Change Form at <http://dor.wa.gov> under the SERVICES hot button, business owners may report changes of mailing addresses, business locations, e-mail addresses, phone numbers, business closures, ownership or new legal entities, and business activities.

A business may also notify the Department of changes by writing the information on the tax return or calling a local Revenue field office or the Telephone Information Center at 1-800-647-7706. ▲

Web site enhancements

Have you visited the Department of Revenue's web site lately? Since first plugging into the Internet World Wide Web in 1995, the number of users has grown to an average 375,000 each month. To make the site user-friendlier, we have incorporated your suggestions, redesigned the look and feel and added features. The redesign is patterned after Access Washington (<http://access.wa.gov/>), the official State of Washington web site.

The new home page address is:
<http://dor.wa.gov>

Our goal is to provide information about Washington State taxes at your fingertips. Some of the features include the following:

- ◆ **Electronic Filing** provides information for persons wanting to file and pay their taxes via the Internet;
- ◆ **State Business Records Database** allows users to locate public information about Washington's registered businesses;
- ◆ **Unclaimed Property Database** allows users to determine if the state is holding unclaimed property in their name; and
- ◆ **Tax and License Fraud Reporting** enables users to report fraud relating to motor vehicles, vessels, planes, recreational vehicles, and unregistered businesses.

The newest information on the web site is the Geographic Information System (GIS) Rate Table that provides taxpayers an easier way to determine location codes and tax rates. Businesses wishing to build their own location code "lookup" systems may download the self-extracting address files to integrate with their own accounting systems. To access the files, go to the SERVICES hot button, Geographic Information Systems Rate Table hot link.

We recognize that not all businesses will want to download all the information onto their computer. For this reason, the Department is building a mapping system that will allow taxpayers to use the system on-line and "zoom" into a specific location. There will also be a "look-up" feature that will allow you to enter a US Postal Service delivery address to determine the proper location code and tax rate for a specific location. The system's look-up and mapping feature will be available this summer.

The new home page address is: <http://dor.wa.gov>. If you use the former address, it will automatically redirect you to the new one. So stop by and please let us know if you have suggestions for improving our web site. ▲

File your taxes ON-LINE!

**NOW
AVAILABLE**



the non-taxing way to pay

**SIGN UP
TODAY!**

Electronic Filing

➤ **Simple**

Register at: <http://dor.wa.gov>
Click on "Services"

➤ **Accurate**

➤ **Secure**

➤ **Free**

➤ **Fast**



New special notices

The Department has issued the following special notices:

IMPORTANT INFORMATION FOR RETAILERS MAKING SALES TO THE US GOVERNMENT discusses changes to the federal government's credit card program. Changes in the program affect how to identify whether purchases made by the federal government and its employees are subject to sales tax. *Issued December 14, 1998. (Fast Fax code 765)*

REMINDER OF LITTER TAX CHANGE: LITTER TAX DUE EACH RETURN reminds businesses that litter tax is now due on each return rather than as an annual assessment. Retailers and wholesalers of products in 13 different categories owe the litter tax. *Issued January 25, 1999. (Fast Fax code 766 - for notice and WAC 458-20-243)*

The Department mails special notices to affected individuals, groups, and businesses. If you did not receive a notice and wish to, use the Department's automated phone system to request a copy be mailed or faxed to you (see 24-Hour automated services, page four. Special notices are also available on the Department's Internet web site. ▲

Property tax deadline approaches

Remember, real and personal property tax payments are due on April 30. Except for payments of the watercraft personal property tax, you can make two payments to your county treasurer if the tax exceeds \$50. There are no penalties if you pay the first half by April 30, 1999, and the second half by October 31, 1999. To avoid penalties on the watercraft personal property tax, full payment must be made by April 30, 1999.

April 30 is also the due date for filing personal property affidavits, an annual listing of personal property used in conducting business or other personal property not exempt by law. The assessor uses the affidavit to determine the value of the property. The assessed value is then used to compute personal property taxes that are due the following year.

Every January, county assessors mail the affidavits to taxpayers that have previously listed personal property. If you are a new business or did not receive the affidavit,

please contact your county assessor's office to request an affidavit. Failure to file an affidavit by April 30 may result in a penalty of 25 percent of the tax.

A Department of Revenue brochure, *Information on Washington's Tax Structure Personal Property Tax*, provides general information. To receive a copy, call 1-800-647-7706. The brochure is also available on the Internet.

April 30 is also the due date for filing personal property affidavits . . .

If you have specific questions about the personal property affidavit or the valuation of property, contact your county assessor's office. If you have questions about the payment of real or personal property tax, contact your county treasurer's office. Numbers for both offices are listed in the county government section of the phone book. ▲



24-hour automated services

The Department of Revenue's Telephone Information Center offers several automated services. With the exception of *Tax Express* and Revenue's Internet home page, you can access any of these services by calling 1-800-647-7706. Listen to the menu and select the option you wish to use.

Fast Fax — transmit documents directly to your fax machine. For a list of available documents, enter code 500#. To bypass menu selections, call (360) 786-6116.

Workshops — call to attend one of the spring or fall UBI Business Information Workshops.

Vehicle or vessel fraud — report vehicle or vessel licensing fraud.

Address changes — notify us if you have moved or changed your mailing address.

Business closures — notify us if you have closed or sold all or part of your business. If you've sold your business, tell us who you sold the business to and whether you'll continue to do business under your UBI/tax registration number.

Master Applications — request a new Master Application if you're changing your

business structure (legal entity), changing or adding a trade name, opening a new location, reopening a closed business, divorcing and your spouse is no longer responsible for the business, changing your principal product or service and a license from another agency is required, or transferring the majority of a corporation's stock to different individuals.

Copies of rules, laws, or other departmental publications — request a rule, law, or other publication. An order form listing the Department's fact sheets and brochures is available via *Fast Fax*, code 501#.

Proposed rules — leave informal comments on proposed rule changes or ask to be placed on a mailing list to receive notice of future proposed rule-making actions.

Delinquent notices/no tax returns — clear the delinquency if you have received a delinquent notice and you have no business to report.

Duplicate tax returns — request a new tax return be faxed or mailed if you've misplaced your tax return. Have your UBI/tax registration number ready when calling.

Tax Express — listen to prerecorded tax information by calling 1-800-334-8969. To listen to the topic of your choice, enter the three-digit code. To receive a list of topics and codes, call 1-800-647-7706 and leave a message with the automated voice attendant.



Revenue's home page — see what's new on our home page:
<http://dor.wa.gov>

To inquire about the availability of this document in an alternate format for the visually impaired or language other than English, please call (360) 753-3217. Teletype (TTY) users, please call 1-800-451-7985.

Prepared by the Taxpayer Services Division



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